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CANADA DECLARES WAR ON POVERTY AT HOME

It was "intolerable", the Minister of Labour, Mr. Allan J. MacEachen, told the Canadian Club in Niagara Falls, Ontario, on May 5, that "pockets of poverty should continue to exist in a Canada that is more prosperous than ever before...." Having demonstrated by means of income figures from the 1961 census that "more than one out of every five (non-farm) families" in Canada had cash incomes of less than \$3,000 a year and pointed out that 160,000 families in this group had incomes of less than \$1,000 a year, the Minister went on:

...In Newfoundland, over 51 per cent of families had cash incomes of less than \$3,000; in Prince Edward Island, almost 45 per cent; in New Brunswick, 39 per cent; in Nova Scotia, over 37 per cent; in Saskatchewan, over 31 per cent; in Quebec, over 24 per cent; in Manitoba, over 23 per cent; in British Columbia and Alberta, over 20 per cent, and, in Ontario, almost 18 per cent. These, again, are averages for all non-farm families, but it is obvious that the incidence of low-income families is much greater in the rural non-farm communities than in the urban communities.

ISLANDS OF POVERTY

There is still another way of looking at the figures. Let us examine the percentage of low-income families in individual counties and census divisions, leaving out those living in cities of 10,000 or over. This is where we begin to get down to identifiable islands of poverty. More than 40 per cent of the families in nine out of ten divisions in Newfoundland are in the low-income group, with family earnings of less than

\$3,000 a year; in Prince Edward Island, three out of three divisions; in Nova Scotia, 15 out of 18; in New Brunswick, 13 out of 15; in Quebec, 34 out of 75; in Manitoba, 13 out of 20; in Saskatchewan, 13 out of 18. Even Ontario has four such divisions out of 54, and Alberta two out of 15.

Examining farm-family incomes in the 238 census divisions, 30 per cent or more of the families in 73 of these districts have gross annual sales of less than \$2,500, and no appreciable outside income.

I think I have said enough to establish the fact that poverty is a problem — a tragic problem.

PROPOSED PROGRAMME

Now I would like to outline our new programme to fight poverty and use our human resources to the full.

First, there will be an expansion of the area-development programme. This programme is an attack on what has been called *insular* poverty — the kind of poverty that exists in islands or areas, where nearly all residents have sub-standard incomes.

Our area-development plan was designed to provide more employment opportunities and better employment opportunities in such areas by offering tax concessions and other incentives to industries that locate there.

Capital investment attracted to 35 designated areas by tax incentives provided by the Area Development Agency totalled well over \$500 million in the last year, and provided direct jobs for 18,000 people in these areas.

Projects ranged from small plants costing \$5,000 to one costing \$60 million. The latest plant to go into operation was opened last week. It is a cable plant in Pincher Creek, Alberta, that cost \$1,300,000.

The areas that have been designated up to now have been those of severe, long-term unemployment. Now we are going to broaden the plan by including areas which generally have low levels of income, although not necessarily high levels of employment.

Having designated an area, what can we do for it? If it is an area rich in undeveloped resources, we shall offer incentives sufficient to make it attractive for industry to move in. This may not be enough in itself, because if the people of the area don't possess the skills and training that industry needs, the result will be an influx of skilled workers from outside. We must be prepared, therefore, to help the workers in such an area to acquire skills and get the training they need to benefit from industrial development.

PROBLEM OF MOBILITY

At the same time many workers will want to move to other areas to take jobs for which they have been equipped by training or experience. This can be a difficult thing for anyone, but especially for a man with a family. Nevertheless, such a move often will offer families their best chance of bettering their living standards, and we intend to help them, through generous loan arrangements and other financial aid, to move themselves and their families to their new employment. At the same time, intensive job-placement services will be available through the nation-wide network of the National Employment Service. We are doing this now to some extent, but we intend to expand and intensify this programme....

TRAINING AND RE-TRAINING

The federal-provincial agreements on technical and vocational training cover a range of training programmes broad enough to take care of most needs that may arise. There has been a tremendous widening of training opportunities in the vocational, trade and technical fields for young people in the past couple of years in all parts of Canada. This will provide a solid background for further expansion of training which will be required for the upgrading of the adult work force....

The experience gained by our Vocational Training Branch and the National Employment Service, the provincial departments of labour and education, and municipalities in setting up training and re-training of the unemployed during the past couple of years will be available. This form of training, available to only 4,600 people in 1960, was given in more than 100 occupations to more than 52,000 during the past year. It is our hope that this form of training, which has proved to be of practical assistance in getting under-employed and unemployed people into good jobs, can be greatly expanded and be of the greatest value to our whole new programme.

There is no age-limit, no minimum of school training, and no fee to pay - rather, training allowances are paid the trainees. Since many applicants for specialized training do lack the education or

background for entry to some courses, an opportunity is provided to reach the desired level of education through basic training for skill development - in layman's terms, the teaching of language and fundamental mathematics.

REGIONAL APPROACH

An example of the regional approach, which will provide valuable experience for us in the future, is a programme undertaken during the past year in the Lower St. Lawrence and Gaspé Region. More than 5,000 persons were involved in a 14-week programme in essential basic education to Grade 5, 7 or 9 level, in some 200 centres. Another 35 courses were conducted in vocational training in the same area....

We are not setting up a new department of government to handle this. We are not setting up any new body, except for a very small co-ordinating agency under the direct guidance of the Prime Minister himself, as the chairman of a committee of Cabinet of which I have the honour to be vice-chairman. Everything we need at the federal level exists now in government departments or can be set up inside their framework.

CANADA ASSISTANCE PLAN

For instance, the Canada Assistance Plan will involve various authorities. The Plan now being proposed will produce a framework for federal-provincial co-operation in helping those who need help most. The Plan has taken note of the wide support for a comprehensive programme of public assistance expressed by welfare organizations and authorities, including the Canadian Welfare Council. It will provide an alternate approach to public assistance, now available under four federal statutes - the Old Age Assistance Act, the Blind Pensions Act, the Disabled Persons Act, and the Unemployment Assistance Act.

An important new element in the Assistance Plan is the support to the provinces for strengthening administration, allowing for additional trained staff and more effective service for recipients. In this way, we intend that assistance should be more effectively linked to other programmes, including vocational training, rehabilitation and job placement. In other words, an attempt must be made to see as many as possible get off welfare and back into the labour force....

AGRICULTURAL POVERTY

...The Department of Agriculture will be involved, because much of our worst poverty and waste of human resources is rural. The Agricultural Rehabilitation and Development Agency has embarked on a programme which promises to do for farms and farmers what other programmes have done for the rest of the economy. We intend to give it greater scope by creating a special fund that it will use for regional development projects.

URBAN RENEWAL

Part of our war on poverty will naturally be our large urban-renewal programme, being carried out in co-operation with the provinces and municipalities

ADVISORY COMMISSION FOR THE NORTH

Evidence of the Government's intention of pushing ahead with the political development of the North is contained in the recent announcement by Northern Affairs Minister Arthur Laing of the setting up of an Advisory Commission on the Development of Government in the Northwest Territories. This body will study the practical problems involved, seek the views of northern residents and recommend to the Federal Government the steps required to provide a greater measure of self-government in the Northwest Territories. An impartial, fact-finding group, its members are drawn from fields outside government.

"Political development must keep pace with the remarkable changes which are occurring in the North", Mr. Laing stated. "Territorial governments with powers commensurate to their present capacity for self-government and their ability to assume the financial and other responsibilities entailed are essential if policies and programmes responsive to the needs of the people of the Northwest Territories are to be achieved".

OBJECTS OF STUDY

Within the frame of reference, the Commissioners have been directed to give specific study to:

- the views of residents of the Northwest Territories and other Canadians with northern experience;
- the nature of the federal responsibility for the Territories;
- consideration of the political development of the Territories contingent on the size, nature and distribution of population and its ability to pay a significant share of the costs involved having regard to the present and prospective level of social and economic development;
- existing forms of government as defined by the Northwest Territories and Northern Affairs and National Resources Acts;
- previous proposals affecting constitutional structure.

Many questions concerning the present form of government for the Northwest Territories require careful and expert study before new policies can be formulated. Since 1912, there has been no change in the geographical extent of the Territories, and only limited development in their constitutional structure. The present Territories have been governed by a Commissioner and Council, with Ottawa as the seat of government, since 1920. The only significant change since then was the enlargement of the Council in the 1950s to provide for four elected members, instead of three, to sit with the five who are appointed. In recent years the Council has been fully involved in plans to provide a greater measure of self-government in the Northwest Territories and, at its November 1964 session, requested the establishment of a judicial commission on the future of the Territories and the extension of the franchise to all residents.

As promised in the Speech from the Throne, the Government will bring before the House of Commons amendments to the Northwest Territories Act to

extend the franchise and to raise the stipend of members of Council in both the Yukon and Northwest Territories to bring them more on a level with indemnities paid in other Canadian legislatures, as well as measures to facilitate setting up a territorial public service in the Northwest Territories. These amendments are urgently required and are of such a nature as to prejudice the findings of the Advisory Commission.

The Commission's terms of reference deal with the Northwest Territories only. It is also the Government's intention that measures designed to enable the people of the Yukon to exercise increased powers of self-government be undertaken as soon as possible.

NEW WEAPON AGAINST FOREST FIRES

An airborne device that may greatly improve forest-fire detection in Canada will be tested operationally this summer in the Ottawa area. An infrared scanner, designed and built by Computing Devices of Canada Limited, will be carried on regular fire-patrol flights by aircraft of the Quebec and Ontario Departments of Lands and Forests.

During the first two months of the trial period, which will begin in mid-June, the scanner will be flown by a Quebec Forest Protection Service plane based near Ottawa. For the second two months of the fire season, it will be carried on an Ontario government plane based at Pembroke. The project is being co-ordinated by the federal Department of Forestry.

A prototype of the infrared scanner was tested last summer at the Forestry Department's Petawawa Forest Experiment Station near Chalk River, Ontario. The device is designed to record very slight differences in ground temperature on the terrain being scanned, the variations so recorded activating a light signal or sound signal, or both, within the aircraft. In addition, the scanner is designed to produce a continuous thermal photograph or map of the terrain, permanently recording the precise location of "hot spots".

UNIFORM FOR SEAWAY EMPLOYEES

During the present navigation season, operating lock crews of the St. Lawrence Seaway Authority are being provided with a distinctive uniform to ensure their ready recognition by ships' crews and the public. Over 450 Seaway Authority men at installations from Montreal to Sault Ste. Marie will wear the new dress, which consists of a one-piece garment of dark blue wool-terylene construction.

CAPS AND CRESTS

Lockmasters' uniforms will feature a hat of officer's type, while linesmen will wear a light-weight working cap to match the uniform. Distinctive crests in the Authority design will appear on the uniform and caps.

The Seaway Authority uniform was developed with the assistance of the Directorate of Interservice Development of the Department of National Defence.

NEW AECL DESIGN UNIT

Atomic Energy of Canada Limited is creating a new engineering-design group in association with its Power Projects establishment in Toronto for the purpose of designing a prototype of an advanced nuclear-power reactor, it was announced recently by J.L. Gray, president of AECL. The reactor is known as the CANDU Boiling Light Water Reactor (CANDU-BLW).

Preliminary studies of a nuclear-power station with a CANDU-BLW reactor have indicated that such a plant may be expected to have lower unit capital costs and lower unit electrical energy costs than those of the Canadian nuclear-power stations now under construction, which have reactors known as CANDU Pressurized Heavy Water Reactors (CANDU-PHW). However, several years of design, development and prototype construction and operation will be necessary before the prospective further reduction in power cost can be proven out. The beginning of development work on the CANDU-BLW reactor is a further stage in long-term planning to keep the Canadian line of nuclear-power stations competitive with other advancing types and with the most modern conventional thermal-power stations.

In the meantime, the CANDU-PHW reactors have been developed to the stage where full-scale plants are available on the commercial market. The economies are such that, particularly in sizes of 500,000 kilowatts electric or more, such as the Pickering station near Toronto, on which construction is commencing this year, they are finding application in competition with conventional thermal-power stations.

ESSENTIAL DIFFERENCE

Like the CANDU-PHW reactors in the Douglas Point nuclear-power station nearing completion at a site close to Kincardine, Ontario, and in the Pickering generating station, the CANDU-BLW reactor would use natural uranium for fuel and heavy water as the moderating material to enable the uranium to "burn". The essential difference of the CANDU-BLW reactor from the existing line of reactors is the use of ordinary (light) water rather than heavy water in the reactor cooling system. Steam would be generated by boiling this light water within the reactor, thus eliminating the need for steam generators.

The first objectives of the new AECL design group, known as the Prototype Design Engineering Division, are to develop sufficient design for reliable cost estimates, to identify the major technical difficulties and to initiate development programmes in these areas, and to identify major manufacturing problems and, through industrial contracts, to initiate programmes of prototype equipment manufacture.

PAINTING AWARD FOR SLADE STUDY

The Leverhulme Canadian Painting Scholarship for 1965 has been awarded to Serge Tousignant, 23, of the Ecole des Beaux Arts, Montreal. The scholarship offers a year's post-graduate study at the Slade

School of Fine Art of the University of London, England, air travel to London and return, and a grant of \$1,500 for living expenses. This is the fourth year of this annual award to an outstanding young Canadian painter.

Mr. William Townsend of the Slade School, which was responsible for setting up the Leverhulme Scholarship, selected the winner from candidates nominated by art schools across Canada. He reports that the standard of entries was very high, and that among the candidates were three artists whose work has been selected for the Sixth Biennial of Canadian Painting, one of whom is Serge Tousignant. Mr. Townsend acted as the one-man jury for the Sixth Biennial, which will open June 4 at the National Gallery of Canada.

ROYAL COLONEL FOR NEW UNIT

Princess Margaret has consented to become colonel-in-chief of Canada's newly-formed Highland Fusiliers of Canada. The regiment, whose headquarters will be in Galt, Ontario, was created by the amalgamation of two of Ontario's distinguished Highland regiments in the reorganization of Canada's Militia in 1964.

The Princess formerly held the appointment of colonel-in-chief of the Highland Light Infantry of Canada, Galt, before its amalgamation with the Scots Fusiliers of Canada, Kitchener, Ontario. She also holds a similar appointment for The Princess Louise Fusiliers, a Halifax Militia unit.

TOP HARBOUR OFFICER TO EUROPE

On May 15, the Chairman of the National Harbours Board, Mr. Howard A. Mann, began a visit to European port and commercial centres that will end on June 9. Mr. Mann's trip to the European business area followed his attendance at the 1965 conference of the International Association of Ports and Harbours, where he delivered a technical paper on port administration. The NHB Chairman is a Director of the IAPH and a member of its Executive Committee.

During his European tour, Mr. Mann will meet leaders in shipping, industry and government in Britain, France, Belgium, Holland, Germany, Sweden and Norway. His plans, which are being co-ordinated by the Canadian Trade Commissioner Service, call for a series of addresses to groups interested in trading with Canada, and will provide an opportunity of acquainting these groups with new developments at NHB ports.

Mr. Mann's European visit is part of a continuing programme aimed at keeping overseas attention focused on the ports administered by the National Harbours Board. It follows previous calls made on foreign port users by officers from head office and individual harbours. Other elements of the port-promotion programme are the publication of news bulletins, exhibits at international trade fairs and advertisements in shipping magazines.

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VISIT BY EUROPEAN GAS EXPERTS

Commercial development of recent large-scale discoveries of natural gas in Western Europe provides a good potential for increased exports of Canadian-made gas appliances and equipment. Accordingly, the Department of Trade and Commerce and the Canadian Gas Association sponsored the visit to Canada of 14 gas officials from eight European countries from May 9 to 16.

The prime purpose of the mission, which spent most of its time in the Toronto area, was to acquaint its members with the facilities and methods employed at the CGA testing laboratories in Toronto, with a view to streamlining the process of obtaining foreign approval on Canadian-made gas appliances. In the past, difficulties in attaining such approval had sometimes arisen and produced an inhibiting affect on the development of exports from Canada.

HIGH CANADIAN STANDARDS

The Association hopes that the high standard of testing to which Canadian gas appliances are subjected and the ability of its laboratories to test equipment to the various standards and specifications required by different European countries have been amply demonstrated.

It is proposed that any Canadian equipment for export to Europe be tested in Canada before being sent abroad.

Although Canadian equipment would still have to pass inspection in the purchasing country, such pre-testing should greatly increase the likelihood of trouble-free approval.

While in Toronto, the mission also visited a number of firms engaged in the manufacture of gas appliances, heating equipment and controls and equipment.

REPRESENTATION BY COUNTRY INVOLVED

The eight countries and their representatives in the group were: Austria - Dr. Walter Jorde, Director, Wiener Stadtwerke-Gaswerke, Vienna; Belgium - Mr. R.H. Touwaide, General Secretary, Royal Belgium Gas Association, Brussels, and Mr. Edgar Van den Broeck, Assistant Director of the Federation of the Gas Industry, Brussels; Denmark - Mr. Herlov Jensen, Danmarks Gasmateriel Provning, Copenhagen; France - Mr. P. Delbourg, Chef du Centre d'Essais et de Recherches No. 2, Directeur des Etudes et Techniques nouvelles du Gaz en France, La Plaine Saint Denis (Seine), and Mr. A. Lihmann, General Secretary, L'Association technique de l'Industrie du Gaz en France, Paris; Germany - Mr. J. Hoppner, Dipl.-Ing., Deutscher Verein Von Gas-und-Wasserfachmannern, Frankfurt, and Mr. B. Naendorf, Dipl.-Ing., Secretary, Deutscher Verein Von Gas-und-Wasserfachmannern, Frankfurt; the Netherlands - Mr. Ir.A. de Groot, President of Vereniging Gas-Fabrikanten, The Hague, Mr. J.H. Steinhamp, Secretary of the Association of Gas Manufacturers and Secretary of the Association of Municipal Gas Boards, The Hague, and Mr. A.M. Buijserd, Manager, Domestic Appliances, Netherlands Gas Institute, The Hague; Italy - Dr. Giancarlo Rezzonico of Comitato

Italiano Gas, Milan; Switzerland - Mr. H. Raeber, Manager, Swiss Society of Gas and Water Engineers, Zurich.

EXPORT CREDITS COUNCIL MEETS

The twentieth meeting of the Advisory Council of the Export Credits Insurance Corporation was held on May 11 at the Seignior Club, Montebello, Quebec, to review the Corporation's 1964 operations and its plans for the future. The Council is composed of prominent businessmen from all parts of Canada, appointed by the Governor in Council, who meet periodically with the directors and officers of the Corporation to discuss operations and ensure that ECIC services are adequately meeting the needs of Canadian exporters.

ORIGIN OF CORPORATION

ECIC was established by the Government to encourage the growth of Canada's exports by offering exporters low-cost insurance against non-payment for goods sold on credit terms to foreign and Commonwealth buyers. Since it started operations in 1945, the Corporation has insured \$1.7 billion worth of exports to over 100 countries. It also administers Canada's long-term export-financing programme, and since 1961, when the first contract was authorized under Section 21A of the Export Credits Insurance Act, it has provided financing for the export sale of capital equipment and related engineering services valued at \$220 million.

CULTURAL GRANT TO FRANCE

The Secretary of State for External Affairs, Mr. Paul Martin, recently announced in Paris that, in conformity with its desire to enhance cultural exchanges between Canada and France, the Canadian Government had decided to make a \$45,000 grant to the Maison canadienne at the Cité universitaire de Paris to help the management of that institution pay the cost of urgent repairs needed for the improvement of student living conditions.

The Maison canadienne is a student residence situated in the Cité universitaire, where many countries maintain similar institutions. It accommodates 71 students from all the provinces of Canada and, in accordance with the custom of the Cité universitaire, a few students from foreign countries.

SHOPPING CENTRES IN CANADA

Sales by Canada's shopping centres in 1963 amounted to about \$1,340,189,000, an increase of 14.3 per cent from the 1962 total of \$1,172,112,000, according to an advance release of data that will be contained in the 1963 issue of the Dominion Bureau of Statistics report "Shopping Centres in Canada". The number of stores increased 7.7 per cent in the year, to 4,645 from 4,314 in the preceding year. Shopping-centre sales accounted for 7.1 per cent of all 1963 retailing in Canada, a sharp rise from the 1957 average of 2.5 per cent.

CANADA DECLARES WAR ON POVERTY AT HOME (Continued from P. 2)

designed to renew blighted and congested areas in our cities. If left, these slums can breed only despair and human decay among those who need a revival of hope and ambition if rehabilitation training is to mean anything to them.

As you can see, the programme calls for close co-operation between several federal agencies. It also calls for co-ordination of federal and provincial efforts. Fortunately the provinces and the Federal Government have a long experience of co-operation. Many of the activities I have mentioned have been carried on under federal-provincial agreements for many years.

Because co-operation is so necessary, the Prime Minister has announced that he will call a federal-provincial conference to discuss our proposals and to plan our joint activities.

I have been talking up to now about areas of poverty — or islands if you like.

But naturally all the poor don't live in such areas. We have poor in our most affluent cities and their suburbs.

INDIVIDUAL POVERTY

The poverty that affects these people has been called case poverty — the poverty of the individual who cannot cope with his environment.... He might be called the hard-core individual poor. His personal problems sometimes seem almost insoluble. Without specialized individual help, he will probably remain the hard-core unemployed or under-employed man, even in any economy enjoying the fullest employment.

Studies conducted in the past by the National Employment Service have clearly demonstrated that there is a distinct relation between levels of education and unemployment, and I think no one with an awareness of the increasing complexity of our labour market and the distinct shift from the unskilled segment of the labour force to semi-skilled, skilled and

technical workers, as well as professional and managerial workers, will question the value to the individual Canadian of a high level of education.

PROBLEM OF EDUCATION

I should feel foolish making this obvious point if I did not stand today in the middle of a situation in which I see emerging shortages of people to fill certain kinds of jobs, while at the same time the rate at which youngsters are dropping prematurely out of school continues to alarm all of us.

The last census figures show that, of the 11 million people in Canada 15 years of age and over and not in school, more than a million have only Grade 4 education or less. Not all these people are in the labour force. This does not make the figures any less shocking or the wastage in terms of human resources any less deplorable.

For this is one of the things we must always be concerned about — the wastage of resources of all kinds, but most particularly the wastage of human resources. The charitable case for helping the poor is understood by every man of goodwill, but the economic case is sometimes overlooked.

We are living in an increasingly competitive world, in which we must continue to improve our efficiency and our productivity. This will come about in part through technological change, but we are going to have to rely also on a labour force which must become better and better educated, better and better trained and more and more flexible.

It should be recognized that the need for a concerted and comprehensive plan to eliminate poverty extends beyond benefits for an individual or his family, as worthy as this fundamental objective may be. As Prime Minister Pearson said in his speech to the House of Commons a few days ago: "To enlarge opportunities, to improve the ability of people to take advantage of these opportunities, is not only to attack poverty; it is to strengthen our whole economy, to increase the prosperity and raise the standards of the whole community."...

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